

# Renewable Energies & Environment

EDITION 2015 - 2016



*invest in*  
**REUNION**



This document is cofinanced by European Union.  
Europe is committed in Reunion Island through the ERDF - European Regional Development Fund



# 5

## good reasons to choose Reunion Island

### 1

#### AT THE HEART

- # The only French and European region in the southern hemisphere (Outermost Region)
- # An ideal position for the development of your business towards Asia, the Middle East, Africa and Europe
- # A domestic market of more than **845,000 inhabitants** ▶ 1 million inhabitants forecast for 2030
- # The wealthiest region in the Indian Ocean ▶ GDP per capita : €20,250 (2014)

### 3

#### EXTREMELY ATTRACTIVE INVESTMENT CONDITIONS

Investing in Reunion means benefitting not only from the funding schemes aimed at supporting economic activity in Europe and France, but also a range of specific regional measures.

**Up to 3 million euros in investment grants!**

### 5

#### A REGION OF EXCELLENCE IN TERMS OF TRAINING...

- # A European university  
12,000 students every year, and 140 different qualifications
- # Engineering courses  
Technology, agri-food, construction, sustainable development, digital, etc.
- # Specialized training structures  
Management, arts, hospitality, catering, image, etc.
- # A full network of learning centres  
Electronic, construction, automobile, etc.
- # A young and dynamic population, with 40% under 25 years old

### 2

#### QUALITY INFRASTRUCTURES AND EXCELLENT CONNECTIONS WITH THE REST OF THE WORLD

The island has a modern and efficient infrastructure at the European level, leading the area in terms of facilities:

- # An efficient road network: more than 1,200 km of national highways and departmental roads
- # 2 international airports providing the island with constant gateways to the rest of the world (2 million passengers in 2012)
- # An international deepwater port ▶ 4th largest of all French ports (by volume of containers handled)
- # Broadband coverage across the territory: 3G + network, international connections by submarine cables

### 4

#### A STABLE, SECURE AND MODERN BUSINESS ENVIRONMENT

- # Application of French and European standards at every level
- # Political and legal stability: French legal institutions
- # Modern health infrastructure with the most efficient public equipment in the zone
- # Guarantee of monetary stability: as part of the Eurozone

#### .... AND RESEARCH

An exceptional capacity for research and innovation specific to a tropical island environment : renewable energies, environmental technologies, digital, health, etc.

- # 40 public and private research laboratories
- # The only competitive cluster of the French overseas departments, **Qualitropic**: innovation and natural tropical resources
- # One of the 10 French cyclotrons, **CYROI**: biomedical technology platform
- # A base for satellite remote sensing
- # An atmosphere observation station

Setting up in Reunion also means taking advantage of an outstanding living environment, in a World Heritage site recognized by UNESCO.

A pleasant tropical climate, one of the few active volcanoes in the world, unique protected landscapes in the heart of one of the 11 French national parks, and a warm and welcoming population whose ethnic diversity is also their strength...

# Green technologies in Reunion

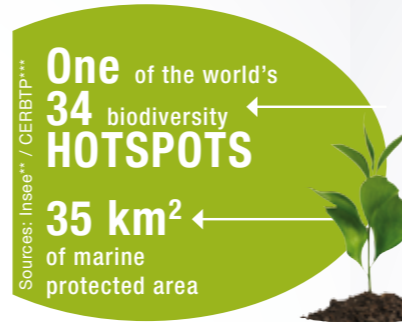
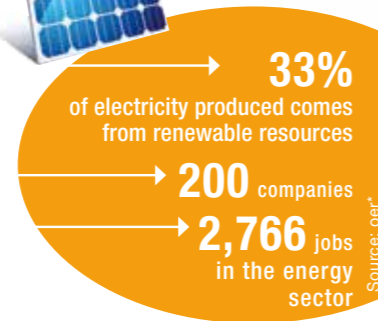
RENEWABLE ENERGIES

\* oer : Reunion energy observatory

\*OTE = Ocean Thermal Energy

## Somes figures...

- # 124,753 individual solar water-heaters (499,010 m<sup>2</sup>) and 34,550 m<sup>2</sup> of collective solar water-heaters
- # 5<sup>th</sup> position in Europe in terms of photovoltaic power, with 181.5 Wp/inhab
- # 2<sup>nd</sup> position in Europe in terms of thermal solar panels installed: 637 m<sup>2</sup>/1,000 inhab
- # 2857,2 Gwh produced on the network in 2014
- # Hydroelectric power representing 15% of total electricity production



- # One of the world's 10 "hotspots" for marine biodiversity
- # Classified as Unesco World Heritage since 2010
- # A National Park covering 42% of the island's surface area with a total of 105,509 ha
- # 11 biological reserves
- # A large deposit of waste for reprocessing (547,100 tonnes of household and similar waste and 4 million tonnes of waste from construction)

\*\*French national Institute for statistics and economic studies  
\*\*\*Regional economic unit for the building and public works

## An island of opportunities and skills...

- # The development of solar energy thanks to a considerable amount of sunshine: luminosity is 30% higher than in mainland France and can reach up to 1,900 kWh / m<sup>2</sup>
- # Valorization of biomass deposits: a potential for energy production identified at 756 GWh / year by 2020
- # A significant potential for wind energy: a good wind resource up at a height of 30 meters, with average wind speeds of between 6 and 7 m / s
- # A promising future for marine energy : there is potential for the development of many technologies thanks to the island's exposure to wave surges from the southern trade winds, the structure of the seabed, sea currents, the relief of the island and its many rivers ...

### Energy independence forecast for 2030



Solar power



OTE\*



Wind power



hydrogen



Wave power



bagasse from sugar cane

### A center of environmental excellence



- # Reduction, reprocessing and recycling of waste: a large deposit of waste to be reprocessed, with numerous opportunities for strengthening existing sectors and developing as yet unexploited sectors
- # Management and implementation of "clean" means of transport
- # Management of water, air quality and ecosystems: a huge potential with the opportunity to experiment with innovative solutions, thanks to significant resources and growing needs
- # Sustainable farming\*: Reunion is currently ranked 4th in France in terms of sustainable agriculture, with 155 farms, and also has 31 farms with the "Organic Agriculture" certification
- # Sustainable eco-construction : Reunion has considerable expertise for construction within tropical environments, in great demand across the Indian Ocean and other tropical countries

\*Source: Agreste= office for statistics of the French Ministry of Agriculture and Fisheries

## ... set in favorable conditions

- # Regulations and funding incentives
- # An environment conducive to experimentation
- # An awareness of all public and private stakeholders
- # A strong desire to make Reunion a real model to follow
- # Specialized training courses taught in high-level establishments
- # Considerable expertise thanks to technological development, advanced infrastructure, a high level of research and a quality workforce
- # A strong presence of major French research organizations
- # Reliable and well-equipped local resource centres
- # Centres of excellence and extensive networks

ENVIRONMENT

## Your contacts in Reunion Island



The Regional Council of Reunion Island provides support to this sector through financial aid within the POE (Operational Plan for Europe) 2007-2013 and the PRME (Regional Program for Energy Management). It also has several programs of action (PRERURE - Regional Plan of Renewable Energies and Rational Use of Energy, STARTER - Strategy for Energy Independence, Transition and Recovery of the Reunionese Economy).  
[www.regionreunion.com](http://www.regionreunion.com)



Temergie (Energy Management Technologies, Renewable Energy and Isolated Energy Management), Reunionese business cluster for energy, bringing together forty professionals working in the areas of renewable energy, energy management and storage.  
[www.temergie.com](http://www.temergie.com)



Its role is to support R & D projects aimed at developing products and processes that respect the environment based on natural tropical resources in the sectors of agri-food, biotechnology and health.  
[www.qualitropic.fr](http://www.qualitropic.fr)



As a national public institution, ADEME is closely associated with the implementation of state policies in sectors related to energy and environment.  
[www.ademe.fr](http://www.ademe.fr)



SPL Energies Reunion is responsible for promoting the use of renewable energies in the context of sustainable development in Reunion, particularly among the general public and local authorities.  
[www.energies-reunion.com](http://www.energies-reunion.com)



# attractive FUNDING SCHEMES

## LODEOM<sup>(1)</sup>

up to **100%**  
exemption

- Employer's social contributions (2)
- Corporate income taxes
- Contributions on company property
- Taxes and duties in ZRUs (3) & ZFUs (4)

TAX EXEMPTION for productive investment programs from **50%** tax reduction depending on the type of investment (5)

Rate of **8,5%** compared to **20%**

in continental France  
Application of uncollected recoverable VAT (6)

An advantageous  
**VAT**  
regime

up to **60%** of aids for freight between Reunion and the EU

up to **50%** of aids for the development and strengthening of industrial sectors

Regional  
**GRANTS**

REGIONAL EMPLOYMENT BONUS (PRE)

up to **€15,000** per new job created

up to **€500,000** per project

Specific aids  
**Renewable  
Energies &  
Environment**

Renewable energies and environment form part of the priority areas identified for accompaniment by the Regional Council of Reunion. Companies in this sector can benefit from attractive support measures through this scheme.

## Renewable energies - Biomass and biogas

# Equipment for combustion, gasification, biomass methanization and reversible thermodynamic devices

From **60** to **80 %**

# Equipment for upgrading unavoidable thermal energy

From **60** to **80 %**

## Funding for environmental projects

# Environmental protection (waste, air including transports and polluted waste lands)

Up to **70 %** of eligible costs

# Development of renewable energy source

Up to **80 %** of eligible costs

# Development of heating and cooling system

Up to **85 %** of eligible costs

# Energy saving

Up to **65 %** of eligible costs

## Domestic hot water production from solar energy

# Public tertiary buildings

Up to **80 %** of eligible costs

# Social housing

Up to **80 %** of eligible costs

# People with economic difficulties

Ceiling : **2 000 €**

(1) Law for economic development of the French overseas

(2) 100% exemption of up to 1.6 times the SMIC (minimum wage) with gradual degressivity if less than 4.5 times the SMIC

(3) Urban Renewal Zones (4) Urban Tax-Free Zones

(5) 50% exemption on the amount of new productive investments / 70% for the renovation and rehabilitation of classified hotels, tourist residences and holiday villages / 60% for investment in the production of renewable energies

(6) Special system allowing businesses to recuperate the VAT on certain inputs exempted from the VAT

# NEXA Regional Agency for Development, Investment and Innovation

## VISION

As an accelerator of projects in Reunion Island, NEXA's role is to support the island's economic development and increase its attractiveness.

NEXA's work aims to strengthen the Reunionese economy's competitiveness and sustainability across key strategic sectors which are part of regional strategy:



Agri-food



Digital



Renewable Energy & Environment



Tourism

## INTERCONNECTED PROFESSIONS

To carry out its missions, NEXA relies on interconnected professions focused on prospective, promotion of networks, business monitoring, project engineering, implementation of promotional campaigns, and contribution to the structuring of new sectors.



# Reunion Island, your future !

## You have a project? Contact us...

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REGIONAL AGENCY FOR DEVELOPMENT  
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